

LEASE AGREEMENT

STATE OF TEXAS
COUNTY OF Collin County

THIS LEASE AGREEMENT is made and entered into this 1st day of December 2021.

By and between

John Cooper
P.O. Box 871
Farmersville, TX 75442

(Hereinafter referred to as “Landlord”) and

Collin County
4600 Community Ave.
McKinney, TX 75071

(Hereinafter referred to as “Tenant”)

IN CONSIDERATION OF THE MUTUAL CONVENANTS and agreements herein set forth, and other good and valuable consideration, Landlord demises and leases to Tenant and Tenant leases from Landlord, hereinafter referred to as the “leased premises” or “the premises”, which is more particularly described as follows:

406 Raymond Street, Suite A, Farmersville, Texas 75442

The rentable area in the leased premises has been calculated and is hereby stipulated for all purposes hereof to be **3,000 square feet** of office space out of 4,200 square foot building.

1. **TERM:** The term of this lease shall be 3 months, commencing December 1, 2021 and continuing through and including February 28, 2022, unless sooner terminated as hereinafter provided.

2. **TERMINATION:** Either Lessor or Lessee shall have the right to terminate this lease with no penalty by giving the other party ninety days (90) days written notice.

- a. Tenant may terminate this agreement by providing Landlord a 90 day written notice of its intent to do so (“Notification Period”).
- b. If Tenant elects to terminate the Lease as specified in this amendment, Tenant will be responsible for the reimbursement to Landlord for any unamortized leasing commissions or cost associated.

3. **BASIC RENTAL:** Tenant will pay to Landlord without deduction or setoffs, the sum of \$3,500.00 as rent for each month of the entire lease term. Rent for any fractional month at the beginning or end of the lease term shall be pro-rated.

4. **LATE CHARGES:** Landlord may, at Landlord’s option and to the extent allowed by applicable law, impose a late charge (“Late Charge”) on any payments of Rent which are not received by Landlord on or before the due date in amount equal to one-half of one percent (0.5%) of the late payment per day for each day after the due date. Payments received from Tenant shall be applied first to any Late Charges, second to Base Rent, and last to other unpaid charges or reimbursements due to Landlord. Notwithstanding the foregoing, Landlord will not impose a Late Charge as to any late payment, unless Tenant fails to pay the late payment to Landlord within five (5) business days after the delivery of a written notice from Landlord to Tenant demanding the late payment be paid.

5. **USE OF PREMISES:** Tenant will use the leased premises only for office purposes, unless Landlord shall give Tenant prior written consent for different use. Tenant will not permit any portion of the premises to be occupied or used for any business or purpose other than the permitted use for any use or purpose which is unlawful or extra hazardous on account of fire. Tenant will not permit anything to be done in the leased premises which will in anyway increase the rate of fire insurance on the Building or its contents. In the event that actions of Tenant occasion an increase in the rate of fire insurance on the Building or its contents, the amount of the increase shall be deemed to be additional rent and shall be promptly paid to Landlord by Tenant.

6. **LANDLORD’S OBLIGATIONS:** Landlord will furnish to Tenant at Landlord’s cost & expenses:

- a. **Utility Services:** Landlord shall install and maintain, or cause to be maintained necessary lines for the provision of utility services, including electricity,

- telephone, water and sanitary/wastewater sewer, to the Demised Premises from utility supply points immediately adjacent to the Demised Premises.
- (i) Hot and cold refrigerated water provided for the general use of tenants of the Building.
 - (ii) Heated and refrigerated air conditioning in season, at such times as Landlord normally furnishes these services to all tenants of the Building, and at such temperatures and in such amounts as reasonably considered by Landlord to be standard (service on Sundays and holidays to be optional on the part of the Landlord);
 - (iii) Electric lighting for all public areas and special service areas of the Building in a manner and to the extent deemed by the Landlord to be reasonable and standard.
- b.** The obligation of the Landlord to furnish electrical service shall be subject to the rules and regulations of the supplier of such electricity and of any municipal or other governmental authority regulating the business of providing electrical utility service.
 - c.** Failure to furnish, or any stoppage or interruption of, these defined services resulting from any cause beyond Landlord's control shall not render Landlord liable in any respect for damages to either person, property or business, or be construed as an eviction of Tenant or work abatement of rent, or relieve Tenant from fulfillment of any covenant or agreement hereof. Failure to furnish or stoppage or interruption of these defined services resulting from any cause within Landlord's control shall not render Landlord liable for damages to either person, property or business nor be construed as an eviction of Tenant or work as an abatement of rent or relieve Tenant from performing its obligations until Tenant has given written notice to Landlord and Landlord has had a reasonable opportunity to restore services or make repairs. Should any equipment or machinery furnished by Landlord break down or for any cause cease to function properly, Landlord shall use reasonable diligence to repair the same promptly. If service is interrupted for a period of 5 consecutive business days rendering the premises untenable, rent shall abate until service is restored. If any service is interrupted for a period of 30 consecutive days making the premises untenable, Tenant may, at its option terminate this lease.

7. MAINTENANCE AND REPAIR: Landlord shall maintain the Demised Premises in good order, condition and repair, ordinary wear and tear excepted, including, but not limited to, maintenance, repairs and all necessary replacements of the windows, plate glass, doors, overhead doors, heating system, ventilating equipment, air conditioning equipment, electrical and lighting systems, fire protection sprinkler system, elevators, interior and exterior plumbing. In addition, Tenant shall be responsible for the repair of any portion of the property caused by Tenant, its employees or invitees, and for all janitorial and cleaning of the Demised Premises.

8. IMPROVEMENTS: Additional improvements to the premises shall be installed at the cost and expense of Tenant in accordance with plans and specifications which have been previously submitted to and approved in writing by Landlord. Such work shall be

performed only by Landlord or by contractors and subcontractors approved in writing by Landlord, which approval shall not be unreasonably withheld.

9. TENANT'S OBLIGATION: Tenant will be responsible for electric, gas, water and cleaning service cost. Tenant will not in any manner deface or injure the Building and will pay the cost of repairing any damage or injury done to the Building or any part thereof by Tenant or tenant's agents, employees or invitees. Tenant shall take good care of the premises and keep them free of waste and nuisance. Tenant will keep the premises, including all fixtures installed by Tenant, in good condition and repair. All such repairs will be made by Tenant at Tenant's expense. If Tenant fails to make such repairs within 15 days after the occurrence of damage or injury, Landlord may, at its option, make such repairs and Tenant shall, upon demand, pay Landlord the cost thereof plus interest at the rate of ten (10%) percent per annum from demand until paid. Upon termination of this lease, Tenant shall deliver the premises with all improvements located thereon in good repair and condition, reasonable wear and tear expected, and shall deliver to landlord all keys to the premises. Tenant will not make or allow to be made any alterations or physical additions in or to the premises without prior written consent of Landlord. At the termination of this lease, Tenant shall, if Landlord so elects, remove all alterations, physical additions or improvements directed by Landlord and restore the premises to their original condition; otherwise, such improvements shall be delivered to Landlord within the premises. All furniture and movable trade fixtures installed by Tenant may be removed by Tenant at the termination of this lease if Tenant so elects and shall be removed if required by Landlord. All such removals and restoration shall be accomplished in a good workmanlike manner so as not to damage the primary structure or structural qualities of the Building. In the event that such removal, restoration and cleaning is not performed by Tenant, Landlord shall perform such work and bill tenant for the same, and Tenant shall promptly pay such statement upon receipt thereof. All of Tenant's fixtures and personal property, if not promptly removed from premises at the termination of this lease, shall be presumed to have been abandoned by Tenant, and shall become the property of Landlord.

10. ASSIGNMENT; SUBLEASING: Tenant shall not assign or in any manner transfer this lease, or any estate or interest therein or sublet the premises or any part thereof or grant any license, concession or other right of occupancy of any portion of the premises without the prior written consent of Landlord, which shall not be unreasonably withheld or delayed. Consent by Landlord to any assignment or subletting shall not operate as a waiver of Landlord's rights as to any subsequent assignment or subletting. Notwithstanding any assignment or subletting, Tenant and any guarantor of Tenant's obligations under this lease shall at all times remain fully responsible and liable for the payment of the rent herein specified and for compliance with all of Tenant's obligations under this lease. In the event of a transfer or assignment by landlord of its interest in this lease or its interest in the Building containing the premises, Landlord shall thereby be relieved of any further obligations hereunder and all obligations of Landlord shall be obligations of Landlord's successor in interest. Any security given by Tenant to secure the performance of Tenant's obligations hereunder shall be assigned and transferred by landlord to such successor in interest, and Landlord shall be discarded of any further obligation related thereto. Tenant shall not mortgage, pledge or otherwise encumber its interest in this lease or in the premises. If Tenant assigns or sublets all or a portion of the premises at a monthly rental in excess of the monthly rental Tenant is obligated to pay under the terms hereof, such increased rent shall become the monthly rent due and payable by Tenant to Landlord for the terms of such assignment or subletting.

11. INSURANCE: During the Lease Term, Landlord shall maintain, at Landlord's expense, all risk policies of insurance covering loss of or damage to the Demised Premises including the Improvements, and Landlord's personal property and fixtures located therein, to Landlord's full replacement value thereof, but excluding Tenant's Personal Property located in the Demised Premises. The policies shall provide protection against all perils included within the classification of fire and extended coverage. Tenant shall maintain all risk policies of insurance covering loss of or damage to Tenant's Personal Property located at the Demised Premise to Tenant's full replacement value thereof. Tenant shall not do or permit to be done anything which invalidates any insurance policies.

12. INCREASE IN PREMIUMS: Tenant shall not permit any operation or activity to be conducted, or store or use any volatile or any other materials (other than such operations and the storage and use of such materials as may be necessary in Tenant's reasonable discretion to conduct aircraft maintenance operations) on or about the Demised Premise that would cause suspension or cancellation of any fire and extended coverage insurance policy carried by Landlord, or increase the premiums thereof, without the prior written consent of Landlord.

13. **INDEMNITY:** Landlord shall not be liable for, and Tenant, to the extent allowed by law, will indemnify and hold Landlord harmless of and from all fines, suits, claims, demands, losses and actions, (including reasonable attorney fees) for any injury to person or damage to or loss of property on or about the premises caused by the negligence or misconduct of Tenant, it's employees, invitees, or by any other person entering the premises or the Building under express or implied invitation of Tenant, or arising out of Tenant's use of premises. Landlord shall not be liable or responsible for any loss or any damage to any property or death or injury of any persons occasioned by theft, fire, act of God, public enemy, injunction, riot, strike, insurrection, war, or any other action of any governmental body or authority, by other tenants of the Building or any other matter beyond the control of the Landlord, or for any injury or damage or inconvenience which may arise through repair or alteration of any part of the Building, or failure to make repairs or from any cause whatever except Landlord's negligence.

14. **RULES AND REGULATIONS:** Tenant; a Tenant's agents, employees and invitees will comply fully with all the requirements and the rules and regulations of the Building. Landlord shall at all times have the right to change such rules and regulations or to promulgate other rules and regulations in such reasonable manner as may be deemed advisable for the safety, care or cleanliness of the building and related facilities or premises and for preservation of good order therein. All changes and amendments to rules and regulations shall be in writing a forwarded to Tenant by Landlord.

15. **MORTGAGES:** Tenant accepts this lease subject to any deeds of trust, security interests, or mortgages which might now or hereafter constitute a lien upon the Building or improvements. Tenant shall at any time hereafter, on demand, execute any such instruments, release or other documents that may be required by any mortgagee for the purposes of subjecting and subordinating this lease to any such deed of trust, security interest, or mortgage so long as Tenant is not in default under the Lease Agreement. Tenant will not be disturbed or evicted by anyone claiming through or under the Landlord including Landlord's mortgage.

16. **ACCESS TO PREMISES:** Landlord and its agents and representatives shall have the power to enter into and upon any and all parts of the premise, at all reasonable hours and inspect the same, clean, make repairs or alterations, or show the same to prospective tenants or purchaser.

17. **EMINENT DOMAIN:** If the premises shall be taken or condemned in whole or in part for public purposes or sold under threats of condemnation, this lease shall terminate at the option of Landlord or Tenant with 120 days prior written notice. Landlord shall be entitled to receive the entire award of any condemnation proceeding or the proceeds of any sale in lieu thereof, including any award for the value of the unexpired portion of this lease.

18. **CASUALTY:** In the event the Building should be totally destroyed by fire, tornado, or other casualty or in the event the premises or the Building be so damaged that repairs cannot be completed within 90 days after the date of such damage, either Landlord or Tenant may terminate this lease, in which event the rent shall be abated during the unexpired portion of the lease effective from the date of such damage. In the event the Building or premises should be destroyed by fire, tornado, or other casualty covered by Landlord's insurance, but only to such extent that rebuilding or repairs can be completed within 90 days after the date of such damage, or if the damage should be more serious but neither the Landlord or Tenant elects to terminate this lease, Landlord shall, within 30 days after the date of such damage, commence to rebuild or repair the Building or the premises and shall proceed with proper diligence to restore the premises to the same. Landlord shall not be required to rebuild or repair or replace any part of the furniture, equipment, fixtures and other improvements which may have been placed by Tenant or other Tenants in the Building or the premises. Rent will be abated during the time the premises are unfit of occupancy. In the event any mortgage under a deed of trust, security agreement or mortgage on the Building should require that the insurance proceeds be used to retire the mortgage debt, Landlord shall have no obligation to rebuild and lease shall terminate upon written notice to Tenant. Any insurance which may be carried by Landlord or Tenant against loss or damage to the Building or the premises shall be for the sole benefit of the party carrying such insurance and under its sole control.

19. **WAIVER OF SUBROGATION:** Each party hereto waives any and every claim which arises or may arise in its favor against the other party hereto or any tenant of Building during the term of this lease or any renewal or extension thereof for any and all loss of or damage to any of its property located within or upon or constituting a part of the premises hereunder, which loss or damage is covered by valid and collectible fire and extended coverage insurance policies, to the extent that such loss or damage is recoverable under said insurance policies. Said mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this lease with respect to any loss of or damage to property of the parties hereto. Inasmuch as the above mutual waivers will preclude the assignment of an aforesaid claim by way of subrogation (or otherwise) to an insurance company (or any other person), each party hereto agrees immediately to give to each insurance company which has issued to it policies of fire and extended coverage insurance written notice of the terms of said mutual waivers, and to have said insurance policies properly endorsed, if necessary, to prevent the validation of said insurance coverage's by reason of said Waivers.

20. **HOLDING OVER:** Should Tenant or any of its successors in interest hold over the premises or any part hereof after the expiration of the term of this lease, unless otherwise agreed upon in writing, such holding over shall constitute and be construed as a tenancy from month to month at a rental equal to one hundred fifty (150%) percent of the monthly rental provided for herein. No extension of this lease shall be binding unless in writing and signed by Landlord and Tenant.